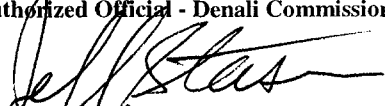
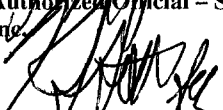
 <p align="center">Financial Assistance Award</p> <p align="center">DENALI COMMISSION 510 "L" Street, Suite 410 Anchorage, Alaska 99501 (907) 271-1414</p>		Project Number - 0037-DC-2001-I19			
		Denali Commission Accounting Code			
		95670000		\$ 50,000	
		Total Commission Funding		\$ 50,000	
Recipient Name & Address Southcentral Foundation, Inc. 4501 Diplomacy Drive Anchorage, AK 99508 Phone (907) 729-4900 Fax (907) 729-5000		Funds Available & Apportioned by OMB			
		mo for CEE			
		Cost Share Distribution			
			Denali Commission	Other contributors	Totals
		Totals	\$ 50,000	\$ 0	\$ 50,000
Authority 112 Stat 1854		Project Title Iliamna Lake Villages Sub-Regional Health Center – Planning and Design Phase		Award Performance Period From: April 1, 2001 To: March 31, 2005	
<p>This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission is issued in triplicate and constitutes an obligation of federal funding. By signing the three documents, the Recipient agrees to comply with the Award provisions indicated below and attached. Upon acceptance by the Recipient, two signed Award documents shall be returned to the Federal Co-Chair of the Denali Commission and the Recipient shall retain the third document. If not signed and returned without modification by the Recipient within 30 days of receipt, the Federal Co-Chair may unilaterally terminate this Award.</p> <p> <input type="checkbox"/> EDA Standard Terms and Conditions Public Works and Implementations Construction Components, dated 3/99 <input checked="" type="checkbox"/> Special Award Conditions and Attachments <input type="checkbox"/> Line Item Budget <input type="checkbox"/> 15 CFR 24, Uniform Admin Requirements for Grants/Cooperative Agreements to State and Local Governments (www.access.gpo.gov/nara/cfr/waisidx_99/15cfr24_99.html) <input type="checkbox"/> OMB Circular A-87, Cost Principles for State and Local Governments and Indian Tribal Governments (www.whitehouse.gov/OMB/circulars/a087/a087-all.html) <input checked="" type="checkbox"/> OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations (www.whitehouse.gov/OMB/circulars/a133/a133.html) <input checked="" type="checkbox"/> 15 CFR, Part 14, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Nonprofit, and Commercial Organizations (www.access.gpo.gov/nara/cfr/waisidx_99/15cfr14_99.html) <input checked="" type="checkbox"/> OMB Circular A-122, Cost Principles for Nonprofit Organizations (www.whitehouse.gov/OMB/circulars/a122/a122.html) <input type="checkbox"/> OMB Circular A-21, Cost Principles for Educational Institutions (www.whitehouse.gov/OMB/circulars/a021/a021.html) <input type="checkbox"/> EDA Standard Terms and Conditions Capacity Building Programs <input type="checkbox"/> Department of Commerce Financial Assistance Standard Terms and Conditions, dated 10/98 </p>					
Signature of Authorized Official - Denali Commission		Typed Name and Title		Date	
		Jeffrey B. Staser, Federal Co-Chair		8/24/01	
Signature of Authorized Official - Southcentral Foundation, Inc.		Typed Name and Title		Date	
		Katherine Gottlieb President and CEO		8/31/01	

Conditions to the Financial Assistance Award
Project No. 0037-DC-2001-I19
Project Title: Iliamna Lake Villages Sub-Regional Health Center
Planning and Design Phase
Project Recipient: Southcentral Foundation

1. The scope of work for this Financial Assistance Award is as follows: The proposed site for the Iliamna Lake Villages Sub-regional Health Center will be surveyed and the soils tested to determine whether they can accommodate a septic tank/drainfield system and on-site well in accordance with A-DEC standards; the site will be evaluated for its adequacy in size for the proposed Health Center and parking requirements; community support for the site will be assessed; a full environmental review will be conducted in compliance with federal NEPA and NHPA requirements; and the site selection will be finalized and site control established. The space program for the Health Center will be reviewed by program staff and revised, as necessary, and parking requirements will be established. Schematic level design will be developed to provide a basis for a budget cost estimate for construction. Completion of the design and the preparation of construction documents will be funded by Southcentral Foundation (SCF) so the project will be ready for construction in the summer of 2002.

Total Commission funding to the Southcentral Foundation is \$50,000. Total project funding is \$400,000. The estimated costs for this Award follow.

Item No.	Description	Estimated Cost	Comments
1	Geo-technical, Survey, Base Map	\$25,000	
2	Environmental Assessment	\$3,500	
3	Schematic Design	\$14,500	Remainder of funding by SCF
4	Programming/Project Management	\$5,000	Remainder of funding by SCF
5	Indirect @ 4%	\$2,000	
	TOTAL	\$50,000	

All Commission funding is intended for use for the scope of work specified above only. No interest will be accrued on these funds.

In the event there is a balance of funding after the full scope of work is completed, then the Commission (in consultation with SCF) will determine how the excess funds will be allocated. The final decision on how excess funds are used is a Commission decision, and may include withdrawing excess funds for reallocation to other Commission projects. The SCF will return any unexpended project funds (based upon pro rata project contributions) to the Commission at the end of the one-year project warranty period. In the event the project cannot be initiated for any reason; the Commission reserves the right to cancel the project.

2. The Project Officer for the SCF is Mr. Jon Ross and for the Denali Commission Mr. Joel Neimeyer.

3. SCF shall submit written progress reports to the Commission Project Officer quarterly (March/June/September/December). The reports are due within 30 calendar days of the end of the quarter. SCF (through the use of Interim Reports) will inform the Commission at the earliest possible date of any unanticipated project cost overrun, project schedule delays, or changes in the project scope or changed site conditions. This will allow both SCF and the Commission to pursue supplemental financing on a timely basis, or reduce the project scope to fall within the Commission project financing capabilities. Quarterly progress reports shall include a narrative summary of the project status and accomplishments to date, and address the following questions: is the project on schedule, is the project on budget, and what actions are planned to address any project problems.

SCF shall report annually the percentage of total funds (from the Commission and other sources) received used for planning, design and construction of rural primary care facilities. In addition, this annual report will include a breakdown on how these funds were used: force account construction (including local labor wages paid, rural Alaska wages paid, and total project wages paid), and construction contracting.

A Labor Type, Residence, and Wage Report shall be submitted to the Commission Project Officer at a minimum of two times annually for construction projects. At a minimum, these two reports must be on or near August 1st and December 1st each year to correspond with the Alaska construction season. Reports may be submitted more often. A Labor Type, Residence, and Wage Report must include the following information by construction project for any person employed on the construction of that project: position, place of primary residence, first check date, last check date, rate of pay per hour, payroll earnings from inception of project to date. Personal or confidential information such as Social Security numbers, names of individuals, or other information that would identify an individual should not be included within this report.

In addition, SCF shall provide photo documentation of project development and construction. A minimum of three photos shall be taken for each quarterly report in which construction activity occurs. Photo documentation shall be supplied in the form of photo quality 3x5 prints and a negative for each picture submitted and/or print quality electronic photos (digital images). A short description of the activity and names of those in the photos shall also be provided.

These quarterly, bi-annual and annual progress reports shall be sent to:

Denali Commission
510 "L" Street, Suite 410
Anchorage, AK 99501

The Commission reserves the right, at a future date, to direct SCF to provide the progress reports in electronic format for posting on the Commission web page.

4. Two forms of project financial reports are required.
 - A. Project financial status reports shall be submitted to the Commission Project Officer quarterly (included as part of the quarterly progress reports). For each project that includes funding from the Denali Commission, the quarterly financial status report shall show the following:
 - i. the total project budget
 - ii. the total amount of Denali Commission funds committed to the project
 - iii. the total project expenditures as of the end of the most recent quarter
 - iv. the total expenditure of Denali Commission funds for the project as of the end of the most recent quarter
 - v. the percentage of expenditures to the total budget; and
 - vi. a project performance analysis on project line items, as defined by the SCF, showing budget costs compared to actual expenditures and obligations to date versus work performed to date (for each line item).
 - B. A final Financial Status Report (Standard Form 269 – www.whitehouse.gov/OMB/grants/index.html#forms) shall be submitted to the Commission Project Officer within 90 days after the end of the Award Performance Period. If the Period is longer than one year, or if the Agreement is revised to extend the Award Performance Period beyond one year, the SCF must annually submit a completed Standard Form 269 within 90 days after the end of each anniversary of the award date.
5. To receive payment, the SCF must submit a “Request for Advance or Reimbursement”, Standard Form-270 (www.whitehouse.gov/OMB/grants/index.html#forms), to the Commission Project Officer. It is expected that the SCF will forecast by letter or spreadsheet format, Commission funds or working capital advances needed on a monthly (or as needed) basis for the project. This does not preclude more frequent Commission payments, then monthly, given project specific needs. The Commission reserves the right to prohibit further payments to the SCF, at any time, if discrepancies, until such time that the discrepancies are resolved to the satisfaction of the Commission.
6. To the maximum extent feasible, considering applicable laws, the SCF shall accomplish the work of this Agreement utilizing local labor and small, minority owned and disadvantaged businesses.
7. No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.

8. Based upon proposed Federal funding for this project, project level environmental reviews in accordance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) are required. The SCF shall address all potential environmental concerns (specific and cumulative effects) associated with the projects, identified in this Agreement, in consultation with applicable Federal, State, and local authorities. If the scope of work is changed in the future, then the SCF will revisit the project level environmental reviews to determine if potential environmental concerns must be further addressed. In the interest of streamlining the project level environmental reviews and avoid duplication of effort, any other Federal environmental review process carried out by the SCF and approved by other Federal agencies shall meet the intent of this paragraph.

The SCF will provide an environmental assessment based on the proposed construction of a 9500 square foot facility on the selected site in accordance with NEPA and NHPA requirements.

9. Changes to the Financial Assistance Award can take two forms.

Amendments shall be identified by sequential number followed by the Denali Commission project number (i.e. Amendment No. 2 – Project # 0001-DC-1999-I1). The Commission Federal Co-Chair and the designated representative for the SCF shall execute these Amendments. These documents (in Financial Assistance Award format with attached Award Conditions) define the changes to the scope of work, project schedule and estimated costs for each specific project undertaken. In general, Amendments are used for changes in funding from the Commission and/or other sources to the total project amount.

Addendums to Financial Assistance Award are in letter format from the designated Project Officer for the Commission to the designated Project Officer for the SCF. Addendums shall be identified by sequential letter followed by the Denali Commission project number (i.e. Addendum No. B – Project # 0001-DC-1999-I1). These Addendums shall be executed by the concurrence of the Commission Project Officer and approval by the Commission Chief of Staff. In general, Addendums are used for small changes in project scope. These addendums shall include a scope of work, negotiated cost reimbursement, a method to measure completion of work, and lastly payment method.

10. **Project Management Plan:** SCF will manage the planning phase of the project through a contract for project management services with an independent contractor. The contract project manager will oversee sub-contracts for geo-technical and survey services, environmental assessment services, and design services. The project manager will be responsible for finalization of the Health Center space program, coordination of the site

selection process, including community input, and facilitation of the transfer of ownership of the site.

11. The SCF has a pass-through indirect rate of 4%, which will be charged to this project. There will be no additional administrative fees.
12. Project Schedule:

<u>Task</u>	<u>Schedule</u>
Conduct Civil/Geo-technical and Environmental Studies	August 27 – September 28, 2001
Solicit Design Services	August 24 - September 14, 2001
Select A/E, Negotiate and Award Sub-Contract for Design	September 14 – October 5, 2001
Schematic Design	October 5 – November 2, 2001
Design Review	November 2 – November 16, 2001
Design Development	November 16 – January 4, 2002
Design Review	January 4 – January 18, 2002
Construction Documents – 95%	January 18 – March 1, 2002
Documents Review	March 1 – March 15, 2002
Final Documents	March 15 – March 29, 2002
Advertise for Bids	April 1 – April 29, 2002
Review Bids and Award Contract	April 29 – May 10, 2002
Construction	May 10, 2002 – March 1, 2003
Project Closeout	March 1 – May 1, 2003

The intent of this project is to finalize the site selection and establish site control, in preparation for design and construction of the Iliamna Lake Villages Sub-Regional Health Center. At the end of this phase of the project all requirements for development of the site will have been met and sufficient design and cost information will be available to prepare an accurate application for additional funding for construction.